

**MINUTES OF THE ANNUAL VISITATION BY THE BOARD OF GOVERNORS HELD ON 14 MARCH 2008 AT 10.30 A.M. AT THE OBSERVATORY**

Present: His Grace, the Most Reverend A.E.T.Harper, Archdeacon R.G. Hoey, Canon J.M. Barton, Canon H.J.W. Moore, Canon R. J.N. Porteus, Councillor B. Gardiner-Watson and Professor J.E. Dyson

Apologies: Dean P.W. Rooke, Canon J.W. McKegney, Canon C.F. Moore and Professor A. Hibbert

In attendance: Dr T. Mason, Professor M. Bailey and Mr L. Young

**1. CHAIRMAN'S BUSINESS**

The Chairman referred to the following matter:

1.1. A meeting has been arranged between the Chairman, the Directors and the DCAL Minister for 1 April 2008. Matters to be discussed will include a review of the organization's operating and financial results for 2007/2008, a look ahead for the next three years, the annual accounts and various corporate governance and accountability issues. It is hoped that this meeting will also provide an opportunity to discuss the resolution of certain oversight and management issues presented to the Board at the joint meeting of the Board and the Management Committee on 29 November 2007 and the Observatory's funding problem.

**2. MINUTES OF THE ANNUAL VISITATION HELD ON 23 MARCH 2007 AND THE JOINT MEETING OF THE BOARD OF GOVERNORS AND THE MANAGEMENT COMMITTEE DATED 29 NOVEMBER 2007**

2.1. The minutes of the Annual Visitation of the Board of Governors held on 23 March 2007 and the Joint Meeting of the Board of Governors and the Management Committee held on 29 November 2007 were approved as a correct record of the meetings and signed by the Chairman.

**3. MATTERS ARISING FROM THE MINUTES OF THE ANNUAL VISITATION**

3.1. Minute 1.3 There has been no response from the Department to the Chairman's request that the Board retain the right to co-opt persons to the Management Committee. The DCAL has submitted a draft person and job specification for the Department's new representatives on the Management Committee.

3.2. Minute 3.1 No action has been taken as yet by the Southern Education and Library Board to warn motorists of the dip at the entrance to the Robinson Drive.

**4. FINAL DCAL INTERNAL AUDIT REPORT ON THE ARMAGH OBSERVATORY AND PLANETARIUM**

4.1. The Chairman said that paragraph 6.2 of the report refers to an expectation that NICS procedures would be followed and paragraph 6.5 states that the NICS JEGS assessment process does not take into account the competences of the person currently performing

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- the job. This may work in an organization where possibly thousands of persons would be eligible for a particular post but was totally irrelevant to this organization's needs. Paragraph 6.7 refers to the business case for the re-grading of the post of Administrator but this was not a business case but rather a service requirement for the organization.
- 4.2. Professor Dyson said that the report was a disgrace. Incorrect statements were not addressed and the organization was assessed against non-agreed policies and procedures. There is also a total lack of consideration for those individual members of staff who have been caught up in this.
  - 4.3. Councillor Gardiner-Watson said that he had met with the DCAL officials and the Minister and expressed his grave concern about the way the organization was being treated.
  - 4.4. The Board noted that the organization had sent a number of letters to the DCAL for which replies were expected but as yet remain unanswered. The Chairman asked Mr Young to prepare a calendar of such communications.
  - 4.5. Professor Bailey said that the resolution of the issues arising from the audit report is one of a number of issues the organization is facing. There are three issues to be addressed: (i) the lack of core funding for the Observatory; (ii) the extent to which NICS policies and procedures apply to the organization; and (iii) the resolution of the issues arising from the audit report. The DCAL has undertaken to put an action plan in place by April 2008 and to decide by September 2008 the extent to which the organization has to comply with NICS terms, conditions and pay arrangements. All of these issues could be resolved through discussion at a senior level and with goodwill on both sides. However, at present the DCAL are unresponsive to the needs of the organization and it is difficult to see the way forward.
  - 4.6. Dr Mason expressed his concern that the DCAL is seeking to interfere with contracts of employment in place and to remove responsibilities from the Directors.
  - 4.7. The Chairman said that in order to resolve these issues the organization should be prepared to go into the public domain and make use of the high esteem in which the organization is held. The forthcoming meeting with the Minister will be an opportunity to address the pressing funding issue but the organization should also be prepared to have a root and branch review of such matters as the organization's corporate structure, the right mix of skills and expertise to resource the Board and the most appropriate Government sponsoring department.
  - 4.8. The Board agreed that the Chairman should appoint a small group from the Board and the Management Committee, advised and resourced by the Directors and the Secretary, to develop a coherent strategy for the way ahead.

**5. REVIEW OF THE DRAFT AND SIGNED MINUTES OF THE MANAGEMENT COMMITTEE AND ITS SUB-COMMITTEES**

- 5.1. The Board reviewed the minutes of the Management Committee meetings on 28 June 2007 and 29 November 2007, the joint meeting between the Board and the Management Committee on 29 November 2007, and the meeting of the Internal Audit Committee on 12 June 2007.
- 5.2. In response to a question from Professor Dyson on minute 5.2 of the meeting dated 28 June 2007, Professor Bailey confirmed that the wording of the target for the delivery of three highly trained PhD graduates into the workforce in each of the next two years was set by the DCAL.
- 5.3. In response to a question from Canon Porteus on minute 5.14 of the meeting dated 28 June 2007, Professor Bailey confirmed that the DCAL had provisionally allocated £1.5m in 2010/2011 for the proposed New Library, Archives and Historic Scientific Instruments Building. The balance of the funding for the building, approximately £1.5m, will have to be found from other sources such as the Heritage Lottery Fund

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(HLF). The Chairman said that the Board would need to have clarity about the future funding of the organization before entering into any contract with the HLF.

**6. DIRECTORS' REPORTS FOR 2007/2008 AND BUSINESS PLANS FOR 2008/2009**

Professor Bailey referred to the following matters in his 2007/2008 Report:

- 6.1. Staff at the Observatory comprise 6 research astronomers and 18 other research staff and students, three core research support staff, 2 groundsmen and 2.5 administrative staff. There are also approximately 15 academic visitors each year to the Observatory and 4 additional PhD students linked with the Observatory but carrying out their studies elsewhere.
- 6.2. The Observatory operates largely on an international stage with core funding of approximately £1m from the DCAL, 75% of which is spent on research and 10% on administration. Every £1 provided in core funding is more than doubled in external grant and the in-kind cost of use by Observatory staff of UK central research facilities.
- 6.3. In 2007/2008 publications were a record 57, the number of media citations was 324, well above the target of 250, and the number of Distinct e-Visitors to Observatory web-sites continued to grow.
- 6.4. Research grant and other income for the period up to January 2008 amounted to £183k, an improvement on last year. Jorick Vink and Gerry Doyle obtained new research grants which will keep research grant income at a high level over the next three years.
- 6.5. During the period Observatory staff delivered 85 public talks compared with 55 in the previous year and have maintained an active programme of seminars and internal colloquia. In addition to pursuing front-line astronomical research, the principal research staff play a full role in the astronomical community both nationally and internationally and in so doing present a strong, positive image of Armagh and Northern Ireland.
- 6.6. The table of historic key performance indicators shows that external research grant income has grown tremendously over the years, staff days absence have been consistently very low and other trends shown in the table are positive.
- 6.7. Since 2000 the DCAL has had to provide additional funding to the Observatory of on average £150k per annum because of pressure from the growth of the organization which has been necessary to obtain research grants. This sum is approximately what is needed in the next three years.
- 6.8. The key tasks for 2007/2008 were to: (1) complete the Observatory's RAE submission; (2) complete the planned Skills and Science activities; and (3) develop a Business Case for the new Library, Archives and Historic Scientific Instruments Building. Both key tasks (1) and (2) were successfully completed, but the third item was completed only in part. However, an indication was received from the DCAL towards the end of 2007 that it might in principle be able to provide partial capital support for the new building. Nevertheless, the lack of additional funds during the year made it impossible to procure the necessary external support to finalize plans for the new building.
- 6.9. The Observatory has performed well against other key performance indicators set by the DCAL: the ratio of total external income to total income of 20% is being met; administration efficiency target and actual are similar; and the actual staff days absence were 20 times better than the DCAL target.
- 6.10. The results reported demonstrate the strength of the Observatory's research activity yet the past year has been one where serious issues as to how the Observatory should be managed and run have arisen with the DCAL. If not resolved within the next 6-12 months these issues, which are noted in the Observatory's Risk Register appended to this Report, potentially threaten the future of the organization. The resolution of the issues over governance and the audit will also have to take account of the Director's

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duties and responsibilities contained in his job description and appended to the Report for information.

- 6.11. The most pressing issue is the chronic under-funding of the Observatory which has been a recurrent problem facing the Director for many years. In addition to the Observatory's £157k share of the £250k uplift provided to the Observatory and Planetarium under the CSR settlement, the Observatory needs a further step-increase in its baseline revenue funding of £160k.
- 6.12. Professor Bailey drew the attention of the Board to a number of administrative points of information in the Report: (i) the Safeguarding Vulnerable Groups (Northern Ireland) Order 2007 will set up arrangements to prevent unsuitable people working with children and vulnerable adults. The Observatory and Planetarium applications for registration under the new arrangements were submitted on 27 February 2008; (ii) under a new immigration system anyone wanting to come to the UK will need to show that he or she has sufficient points to qualify under a new points-based system and in certain cases the applicant must have a sponsor who wishes to bring the applicant into the UK. The Observatory will apply for registration as an authorized sponsor body later in 2008 when the registration process becomes live; (iii) the Insolvency (Disqualification from Office: General) Order (Northern Ireland) 2008 has amended the Armagh Observatory and Planetarium (Northern Ireland) Order 1995, paragraph 3(3)(b) of Schedule 1, which relates to the circumstances under which an appointed Governor is deemed to have vacated his office, to include a Governor who is the subject of a bankruptcy restrictions order; and (iv) the organization has undergone a total of 4 audits in recent months.
- 6.13. Professor Bailey acknowledged the work of all Observatory staff during the past year. The academic record speaks for itself but it is also appropriate to acknowledge the contribution of the administrative staff during this period.
- 6.14. During discussion of Professor Bailey's Report, Professor Dyson paid tribute to the Observatory's remarkable scientific achievements. The RAE submission clearly demonstrated the Observatory's international standing.
- 6.15. In response to a question from the Chairman, Professor Bailey said that he had no information on the research performance and other key performance indicators of the national museums and other DCAL arms-length bodies. The Chairman asked Mr Young to submit a Freedom of Information request to ascertain the criteria by which the DCAL allocates funding over the bodies it sponsors.
- 6.16. Professor Dyson asked if there had been any relaxation of the procurement rules. Mr Young informed the Board that he had written to the DCAL in May 2007 requesting a suitable delegation under the rules. At the November 2007 DCAL Accountability meeting the DCAL suggested that the Observatory and Planetarium may not have to use the Government procurement agencies but no direction has yet been received. The Chairman asked Mr Young to write to the DCAL to seek clarification on this matter.

Dr Mason referred to the following matters in his 2007/2008 Report:

- 6.17. There is a clear mismatch between the way in which the DCAL sees the operational relationship with the organization and how the DCAL would best serve the organization's needs. It is very important that these differences over corporate governance and the issue of the pay award to certain staff are resolved as soon as possible.
- 6.18. The cost of using Government procurement agencies for maintenance work is significantly higher than the cost would be if the Planetarium was left to commission the work itself. One recent example was the cost of building a relatively small stud wall. Costs including the construction and installation of the wall, electrical and

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- painting work came to an extraordinary £9k. This was brought to the attention of the Culture, Arts and Leisure Committee when it met in Armagh last week.
- 6.19. Evans & Sutherland (E & S), the suppliers of the Digistar 3 projection equipment, have put forward a proposal which will provide a complete replacement and upgrade of the Digistar 3 to the next generation in this cycle and annual maintenance for the payment of \$50k for each of the next five years. The SELB view is that it is not an easy task to follow the normal tendering procedures with such specialized and high technology equipment and, provided the Planetarium is satisfied with the equipment functionality and that the costs are reasonable compared with alternative equipment available, the E & S proposal would appear to be a sensible option. The DCAL will have to be consulted about the proposal and a full business case prepared. After discussion the Board agreed that there was merit in the proposal and the Director should pursue the matter.
  - 6.20. Colin Johnston has delivered 3 adult education courses in astronomy, 2 of which were accredited by Queen's University Belfast.
  - 6.21. A new exhibit has been installed which pays tribute to people who have made a significant contribution to the development of astronomy in Ireland and who have supported the Planetarium in many different ways.
  - 6.22. The Director is President of the British Association of Planetaria and also President-Elect of the International Planetarium Society.
  - 6.23. The famous astrophotographer David Malin has given permission to use some of his most spectacular images in Planetarium shows.
  - 6.24. Mike McKay, European Space Agency, Professor Carl Murray, Queen Mary College, London and Terence Murtagh, Evans & Sutherland delivered talks at the Planetarium's 40<sup>th</sup> anniversary celebration events over 7 – 8 March 2008.
  - 6.25. Included in the papers for information is a draft of a new salary structure which has been designed to provide a proper career progression within the Planetarium. Further consultations with the DCAL and staff unions will be needed before any final structure can be brought to the Board.
  - 6.26. An unsuccessful candidate for the fixed-term post of Education Support Officer has taken an Industrial Tribunal claim against the Planetarium alleging discrimination on the grounds of age or gender. This claim has been handed to the lawyers and will be vigorously defended.
  - 6.27. As one member of staff is about to go on maternity leave it is opportune for the Planetarium to review its flexible working arrangements, including arrangements for working from home.
  - 6.28. As the funding from Skills and Science will end on 31 March 2008 the Planetarium's outreach programme will cease in order to allow staff to concentrate on bringing more visitors to the Planetarium.
  - 6.29. The Planetarium plans to collaborate with the Blackrock Castle Observatory to set up a joint portable planetarium service in the Waterford, Cork and Kerry areas.
  - 6.30. Since re-opening the Planetarium has shown 21 different shows, 7 of which were developed in-house. Merchandise related to the current show for younger children called Zula Patrol is being sold in the Planetarium shop.
  - 6.31. The Planetarium Director now also acts as technical support for the theatre equipment.

Professor Bailey referred to the following matters in his draft Business Plan for 2008/2009:

- 6.32. The principal objectives for 2008/2009 are to: (i) obtain external grants and funding to support new research projects; (ii) strengthen the Observatory's research capacity and

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capability in Solar-System Science, Solar Physics, and Stellar and Galactic Astrophysics; and (iii) advance plans for the design of a new Library, Archives and Historic Instruments building.

- 6.33. The chronic underfunding of the Observatory has been drawn to the attention of management and DCAL officials repeatedly over the last decade. However, the funding issue is now acute as for the first time the announced grant-in-aid from the DCAL and the Observatory's reserves are together insufficient to enable the Observatory to plan to the end of the financial year 2008/2009. On average an uplift of £160k is needed over the next three years and it is most important that the underfunding issue is resolved as soon as possible.
- 6.34. In response to a question from the Chairman, Professor Bailey said that the only way we could make savings of the magnitude required is to shed staff. Such action would destroy the Observatory's credibility and in all probability lead to closure. Changing the split of the additional funding provided by the DCAL would not in the long term solve the Observatory's funding problem.
- 6.35. Professor Bailey asked for the Board's views on whether, in the light of the funding uncertainty, he should proceed with the recruitment of two new PhD students. During discussion of this matter Professor Dyson said that he was in favour of making the appointments as not to do so would affect the overall level of scientific output, undermine the Memorandum of Understanding with Queen's University Belfast and adversely affect the peer review of research grant proposals. After further discussion the Board gave Professor Bailey permission to appoint one new student as cost savings will result from a current student deciding to end his course prematurely and, if the additional funding becomes available, to appoint a second student from reserve candidates.

Dr Mason referred to the following matters in his draft Business Plan for 2008/2009:

- 6.36. Visitor numbers for 2007/2008 were disappointing being half the projected target for the year but outreach numbers were more than double the target.
- 6.37. The key objective for 2008/2009 is to attract 50,000 visitors to the Planetarium. In order to achieve this target the Planetarium will increase the amount spent on advertising concentrating on radio and some television advertising and continue to develop the number of public shows and interactive displays. It is anticipated that school visits will increase as the Planetarium is now the main resource for teachers under the revised Northern Ireland schools curriculum.
- 6.38. Whilst the priority will be to increase the number of visitors the Planetarium will seek to use staff experience in outreach to set up operational partnerships in Cork in which Planetarium staff will act as trainers and provide content for an outreach programme in that area.
- 6.39. Work on the virtual Planetarium has been completed and it is hoped that the Minister will be able to launch it.

The Board agreed that the draft Observatory and Planetarium Business Plans for 2008/2009 be submitted to the DCAL for their consideration.

## **7. ANY OTHER BUSINESS**

- 7.1. The Memorandum of Agreement between Queen's University Belfast and Armagh Observatory in relation to Supervision of PhD Students was approved by the Board and signed and sealed by the Chairman and Professor Dyson.

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- 7.2. Mr Young informed the Board that members of the boards of bodies receiving public funds are expected to undergo training in corporate governance in the public sector. This consists of a 1-day seminar run by the Chief Executives' Forum and covers such matters as public spending and how it is funded, the role of public bodies within the machinery of Government, the relationship between a non-departmental public body and its sponsoring government department, the roles and responsibilities of the board and its members and public service values and accountability. Seminars are held quarterly in the first week of March, June, September and December each year. The Chairman asked Mr Young to write to all members of the Board to ascertain whether they had received such training as members of the boards of other institutions and to arrange training where necessary.
- 7.3. A copy of the DCAL draft background information, person and job specifications for the new DCAL representatives on the Management Committee was included in the Board papers for information and comment. After discussion the Board asked Mr Young to inform the Board of the final draft agreed with the DCAL before it is approved.

**8. DATE OF THE NEXT MEETING**

- 8.1. The next meeting of the Board will take place in the Observatory Boardroom on Friday 20 March 2009 starting at 10.30 a.m.

Signed as a true record of the Meeting

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Professor Alan Hibbert  
Acting Chairman of the Board of Governors

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20 March 2009